

Decision _____

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Pacific Gas and Electric Company
for an Ex Parte Order Granting Limited
Exemptions from the Affiliate Transaction Rules
Adopted in D.97-12-088, as Subsequently
Modified.

Application 04-11-013
(Filed November 15, 2004)

(U 39 E)

**ORDER PURSUANT TO RULE 6.5
OF THE RULES OF PRACTICE AND PROCEDURE**

Rule 6.5 of the Rules of Practice and Procedure (Rules) concerning changes in the need for hearing or preliminary categorization of a proceeding provides that:

(b) If the assigned Commissioner, pursuant to Rules 6(a)(3), 6(c)(2), or 6(d), changes the preliminary determination on need for hearing, the assigned Commissioner's ruling shall be placed on the Commission's Consent Agenda for approval of that change.

Categorization and Need for Hearings

Pursuant to Rule 6.1, the Commission preliminarily determined in Resolution ALJ 176-3142, dated November 19, 2004, that this proceeding should be categorized as a ratesetting proceeding that was not expected to go to hearing. Subsequent procedural developments require us to revise the "no hearing" determination. Following a prehearing conference convened to address a motion and protest by the Office of Ratepayer Advocates, the Assigned Commissioner, Susan P. Kennedy, issued a ruling and scoping memo dated April 4, 2005, that

sets evidentiary hearings on dates the parties mutually propose. We have considered our preliminary determinations in this matter and the Assigned Commissioner's ruling and we revise our "no hearing" assessment.

Assignment of Proceeding

Susan P. Kennedy is the Assigned Commissioner and Jean Vieth is the assigned Administrative Law Judge in this proceeding.

IT IS ORDERED that:

1. At this time, this proceeding appears to require hearings.
2. Under Rule 6.6 of the Commission's Rules of Practice and Procedure (Rules), this order is a final determination that hearings should be set in this ratesetting proceeding. Thus, the rules and procedures in Article 2.5 of the Rules, including Rule 7(c) and Rule 7.1, which govern ex parte communications, shall apply to this proceeding.

This order is effective today.

Dated _____, at San Francisco, California.